



June 7, 2016

VIA EMAIL

Mr. Rick Scott
Administrative Services Division
City Hall, Room 224
200 N. Spring Street
Los Angeles, CA 90012

RE: Downtown Center Business Improvement District: 2016 First Quarter Report

Dear Mr. Scott:

We are pleased to provide you with the required reporting of the activity for the Downtown Center Business Improvement District (DCBID) for the first quarter of 2016:

Operating Expenses: Annual Budget \$3,556,486

Safety Services

We contract safety services through Universal Protection Service (UPS). Patrol services are provided 24 hours a day, seven days a week and are deployed via foot patrols, bicycles and vehicles from the Service Center facility located at 640 S. Olive Street. Safety personnel responded to 20,768 calls for service and self-observed incidents, and provided directions and assistance to 5,526 citizens during the months of January, February and March.

The Safety Patrol focused on quality of life issues that were spiking in all areas of the district. Businesses throughout the district were being affected by an increase in the frequency and aggressiveness of transient behavior. This prompted the DCBID to focus strategic patrols in the most problematic areas and also request for an increased presence of law enforcement personnel from LAPD.

The Safety Patrol conducted refresher training on the following topics:

- Weaponless Defense and Handcuffing Training
- Baton Refresher
- Communication Training

Maintenance Services

We contract maintenance services through Chrysalis, a neighborhood nonprofit organization that offers employment opportunities to the homeless and economically disadvantaged.

Maintenance removed 291 instances of graffiti and targeted problem areas within the district. 37 instances of high-rise graffiti were reported to the city.

Maintenance sweeper crews swept the sidewalks, emptied trash receptacles, removed illegal decals, scraped gum from public phone booths and provided graffiti removal as detailed above. The maintenance crew also deployed two Tennant M-20 Sidewalk Scrubbers to assist with removing debris from the sidewalks. The DCBID has added and maintains mulch (red wood chips) to all of the tree planters within the district. Maintenance crews collected 14,296 bags of trash and removed 55 abandoned shopping carts during the months January, February and March.

BID ACTION (Homeless Outreach Team)

On October 1, 2015 the DCBID began contracting services with PATH (People Assisting The Homeless) to provide homeless outreach team services. PATH will also provide training to the DCBID Safety and Maintenance teams providing them with additional skills to assist those in need on the street.

During the 1st quarter the new outreach team:

- made contact with 246 unique individuals who were not previously contacted with by PATH – 220 Males & 26 Females
- successfully linked individuals with 62 services including interim housing, substance abuse, mental health, ID documentation and more.

Communications, Marketing and Economic Development Programs: Annual Budget \$1,432,050

Communications & Marketing:

Rebrand

We began our DCBID rebrand project in January and completed it in March. We worked with a branding agency, Ferroconcrete, to help us develop a visual system, personality attributes, and tone of voice to make our marketing efforts more consistent and impactful. The project included developing new logos for the DCBID, DowntownLA.com, and DTLA as well as the creation of a style guide for future design needs. The process involved key stakeholders and was approved for use at the DCBID Board of Directors meeting in early April.

Events

We prepared for our Annual Property Owners Meeting, held on April 14th at the Los Angeles Athletic Club. Preparation included writing, designing, and printing our 2015 Annual Report, which was released at the meeting. We conducted outreach to guest speakers including Councilmember Jose Huizar, Chief Charlie Beck, Deputy Chief Robert Arcos, and Captain Howard Leslie. We invited property owners from the District with printed and email invitations. A presentation that outlined 2015 achievements by department was created for the meeting.

PR

Our PR firm Macy + Associates worked on media pitches and follow-up for our 2015 Year-End Market Report, Downtown LA Survey, and Downtown LA Renaissance Economic Impacts & Trends

report. As a result of their ongoing efforts, the DCBID earned Q1 coverage on KABC-7 and RENTTV, and in Los Angeles Downtown News, California Centers Magazine, GlobeSt.com, Los Angeles Business Journal, Bisnow, Easy Reader News, Connect Media, MyNewsLA.com, and Matter News.

Website

We continue to add content and enhancements to DowntownLA.com including new content to the business database, building database, and event calendar. We created a hotel guide and developed a blog, scheduled to go live in April.

Downtown Guides Program

The Downtown Guides were active in their outreach to businesses, residents, and visitors in the Downtown Center. The Guides were present at:

- DCBID Housing Tours
- DCBID Get Urban Tours
- DTLA Marketing Roundtable Meetings
- Night on Broadway Event

The Welcome Maps and Bags continue to be in high demand. The maps are distributed via our Downtown Guides in Downtown LA, and via Certified Folder Display to major transportation hubs and tourist attractions in Southern California. The Welcome Bags greeted new office tenants and residents when they moved in.

eNewsletter

The DCBID's monthly e-newsletters were sent to over 36,000 current subscribers. They highlighted new business openings, Downtown events, and special offers to our subscribers.

Marketing Roundtable Meetings

In January, we launched a new format for our monthly DTLA Marketing Roundtable. The new format includes co-host and industry expert presentations. We conducted outreach to attract new members to the meeting and now host over 40 attendees each month. Guest speakers included Border Grill, Colburn School, Heart of the City 5K, Skyspace/Skyslide, ATAK Interactive, and Make Music LA.

Economic Development:

GET URBAN: Creative/Tech/ Office (CTO) Recruitment Initiative

We continued our **GET URBAN** creative/tech industry recruitment initiative with fully subscribed Downtown office space tours in January, February and March. A total of over 300 people have attended our monthly tours, which have showcased 40 of Downtown's leading tech and creative companies, along with the neighborhoods, arts, culture, retail and residential opportunities Downtown.

Our on-going marketing, communications and outreach strategy, included distribution of marketing materials directly to the commercial brokerage, tech and creative communities at events such as **StartUps in the Sky**, **Bisnow** and **Connect**. We also expanded our social media presence on **Twitter**, with over 1000 Tweets to our growing base of over 500 followers in the Downtown LA area, regionally and nationally.

In addition to our schedule of monthly tours, we provided custom tours for prospective office tenants and office space brokers.

Creative/Tech Outreach

We have ongoing communication and collaboration with the creative and technology communities exploring opportunities to expand the reach and impact of the **GET URBAN** initiative and to nurture and grow the tech and creative presence Downtown. Specific partners in this effort include: PershingSquaReNew, TechRise, CrossCampus, Start-Up DTLA, WeWork, Los Angeles County EDC, and the Mayor's Office of Economic Development.

Retail Recruitment

We toured and/or met with retailers, restaurateurs and other companies that are interested in opening their business or moving their office to Downtown. We also continued to promote and distribute our retail report – **DTLA: The Future of Urban Retail** – and provide custom market and demographic information to prospective retail tenants and brokers.

Housing Tours

We hosted monthly housing tours in January, February and March, with an average of 50 people in attendance. We also led a custom tour for a group of individuals interested in purchasing residential and investment properties.

Investor/Developer Presentations and Tours

We gave special tours to residential, commercial and hotel developers and helped them with their market research and underwriting.

Events

StartUps in the Sky

Hosted tech mixer in March at the Gas Company Tower.

InnovateDTLA

Hosted workshop on Downtown as an Innovation District, in partnership with Grid110, City Impact Lab, TechRise and Brookfield Properties

Research & Information Requests

We responded to over 40 external requests from brokers, business and property owners, investors and developers, for information on a range of topics, including:

- Demographics of Downtown residents and workers
- Residential, commercial and retail market statistics and updates
- Current development pipeline
- Property ownership and sales information
- Regional Connector and other transit projects
- Significant commercial office, residential and retail leases and sales
- Amenities and nightlife
- New retail businesses and developments
- Streetscape improvement projects

Economic & Market Reports

We produced and published the **Q4- Year End 2015 Market Report** and provided research data to media outlets including the LA Times, Los Angeles Magazine, NY Times, Wall Street Journal, Downtown News, LA Business Journal and DTLA Rising, that were included in articles promoting Downtown's continued growth and evolution.

We released a report by Beacon Economics analyzing the economic impact of the Downtown Renaissance.

We also produced an updated survey of Downtown Residents and Workers.

On-Going Projects

The Economic Development team participated in meetings and/or working groups for the following Downtown development projects:

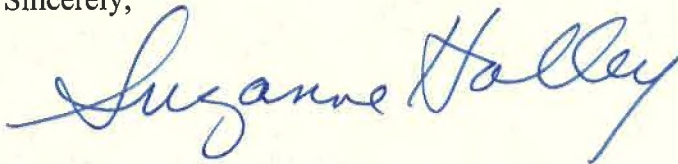
- Bringing Back Broadway
- Pershing Square Renew
- 7th Street Improvement Project
- MyFigueroa Streetscape Project
- DTLA Forward

Administration Program: Annual Budget \$1,180,560

Downtown Center Business Improvement District has actual revenues over net expenditures of \$1,827,317 versus a projected \$1,193,390 for the three months ended March 31, 2016. The \$634,000 difference is the result of a favorable timing differences in the collection of revenue received (\$515,000) and favorable timing differences within the Marketing and Economic Development programs for Brand Redesign, Area Map production costs and Arts and Culture sector initiative.

After you have reviewed the documents, and if you have questions or need additional information, please feel free to contact me.

Sincerely,



Suzanne Holley
Sr. Vice President & Chief Operating Officer

Table of Quarterly Expenditures as of March 31, 2016

BUDGET LINE ITEM	ANNUAL BUDGET	AMOUNT SPENT THIS QUARTER	TOTAL AMOUNT SPENT FOR 2016 YTD	PROJECTED SPENDING FOR NEXT QUARTER
1. Operating Expenses	\$ 3,556,486	\$ 876,885	\$ 876,885	\$ 903,451
2. Communications & Marketing	\$ 1,432,050	\$ 272,972	\$ 272,972	\$ 320,505
3. Administration	\$ 1,180,560	\$ 288,003	\$ 288,003	\$ 273,850
4. Total	\$ 6,169,096	\$ 1,437,860	\$ 1,437,860	\$ 1,497,806

**NEIGHBORHOOD AND BUSINESS IMPROVEMENT DISTRICTS
QUARTERLY STATISTICS FOR MAYOR'S COMSTAT REPORT**

CATEGORY	TOTAL FOR QUARTER	CUMULATIVE TOTAL
Public Safety Incidents	26,337	26,337
Trash Bags/Tons Removed	14,296 (Bags)	14,296 (Bags)
Bulky Items Removed	19	19
Graffiti Removed	278	278
Weeded Areas	6	6
Citizen Contacts	1,188	1,188
Merchant Contacts	2,836	2,836
Spaces for Lease	5,568,089 SF	
Spaces Leased	519,227 SF	
New Business	7	
Landscaped Medians	0	